

Town of Mansfield

FY 2016/17 Proposed Budget

March 28, 2016



Budget Policy Objectives

Five Primary Objectives:

- Maintain current services and programs
 - All core services remain intact
- Advance key financial policy goals & objectives:
 - Increase General Fund contribution to Capital Fund (cash-to-capital funding)
 - Increase Fund Balance

Budget Policy Objectives (cont'd)

- Build capacity to address operational and budgetary concerns
 - FT Firefighter/EMT - reduce firefighter turnover and overtime
 - FT Maintainer – costs shared 50/50 with Mansfield Board of Education

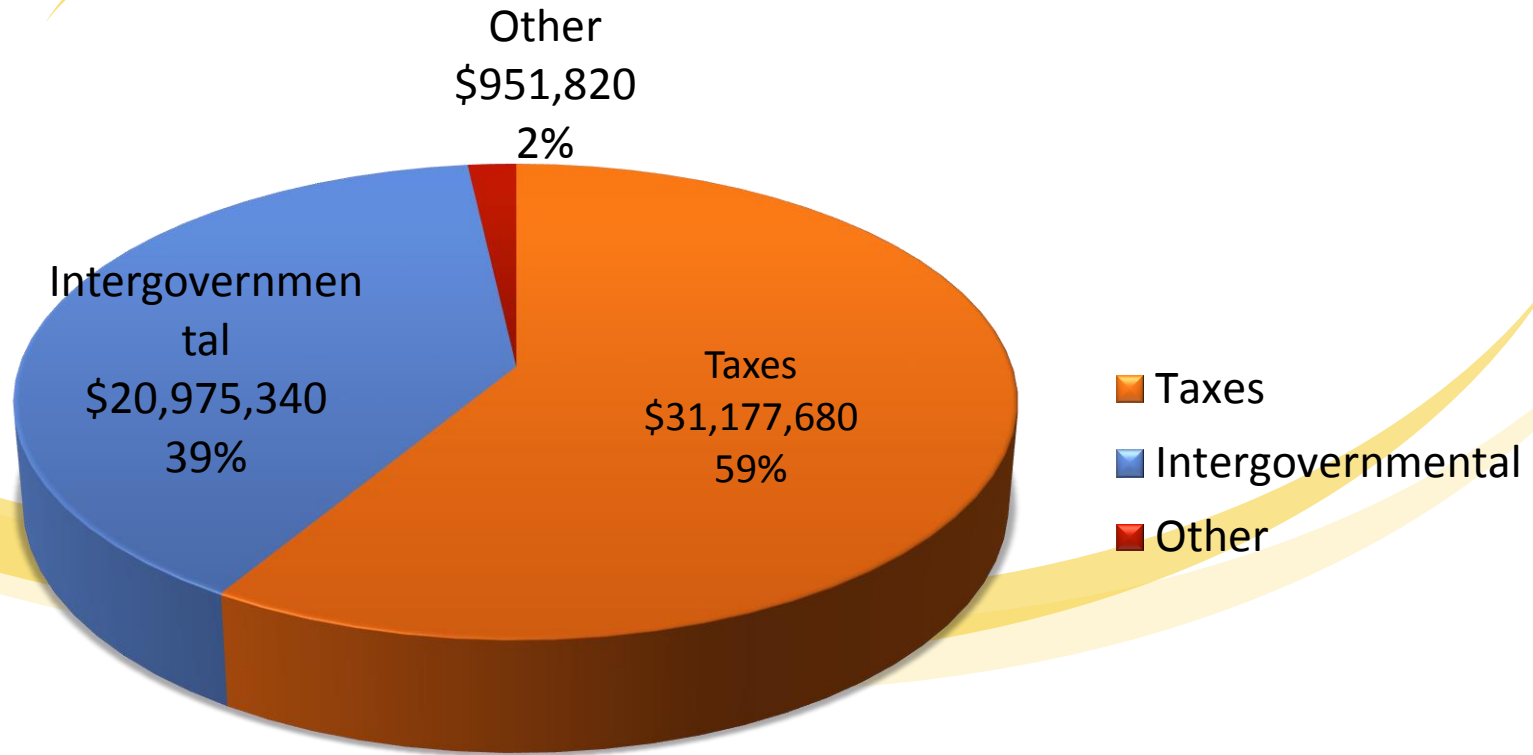
Budget Policy Objectives (cont'd)

- Appropriate new state revenue in manner designed to protect Town from state rescission or reduction
 - Direct funding to Capital Fund & Fund Balance
- Absorb increase in fixed costs and spending without increasing the mill rate

FY '16/17 Budget Overview

- General Fund \$52,204,840
 - Town and MBOE* \$41,655,430
 - Region 19 Contribution* \$10,549,410
- Capital & Nonrecurring Fund \$3,145,000
- Capital Fund \$4,897,170

FY '16/17 General Fund Revenues: \$53,104,840



FY '16/17 Revenue Outlook – Grand List

- Grand List increased by 4.51% from \$1,026,856,306 to \$1,073,133,789
- Real estate increased 3.29% primarily from Storrs Center
- Personal property increased by **31.19%**, an unprecedented amount
- Motor vehicle nearly flat, an increase of 0.18%

FY '16/17 Revenue Outlook – Storrs Center Revenues

- Storrs Center development is generating revenue for the General Fund

- Storrs Center tax revenue: \$2,951,470
 \$2,280,470 *after EdR abatement*
 \$1,609,220 *after Storrs Center expenses*

Mill rate without Storrs
Center tax revenue –
31.37 mills
+1.5 mills

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Mill rate with Storrs Center
tax revenue -
29.87 mills
No increase

Senate Bill No. 1

Enhance municipal fiscal capacity and minimize disparities from property tax on motor vehicles

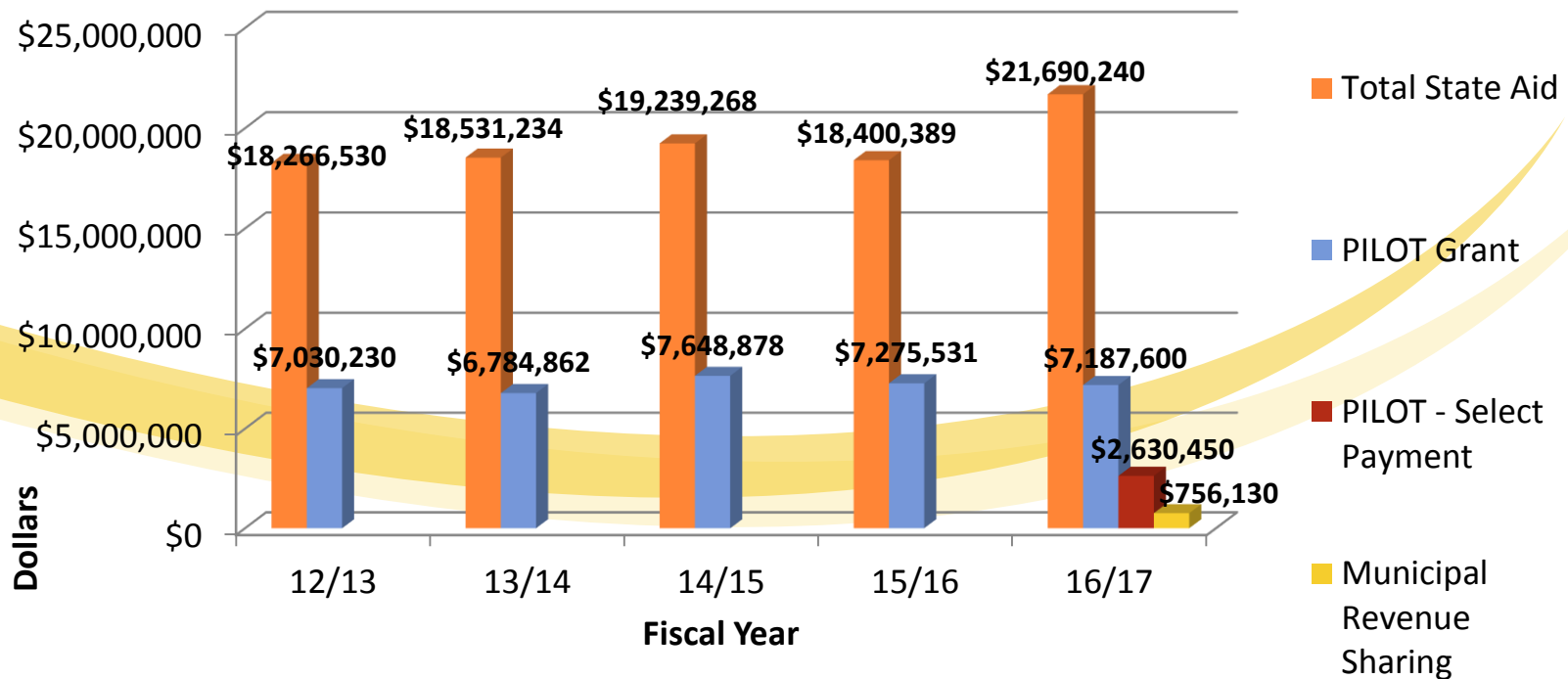
- Restructures PILOT program
 - New “Select” PILOT Payment - \$2,630,450
- Establishes mechanism for sharing state sales tax revenue (MRSA)
 - Mansfield projected share - \$756,130
 - FY’18 – penalty for municipal spending increases (excl. debt service) over 2.5% or inflation, whichever is greater
- Cap on Motor Vehicle Taxes – 29.36 Mills
 - Loss of \$39,660 in revenue

FY '16/17 Revenue Outlook – Intergovernmental Revenues

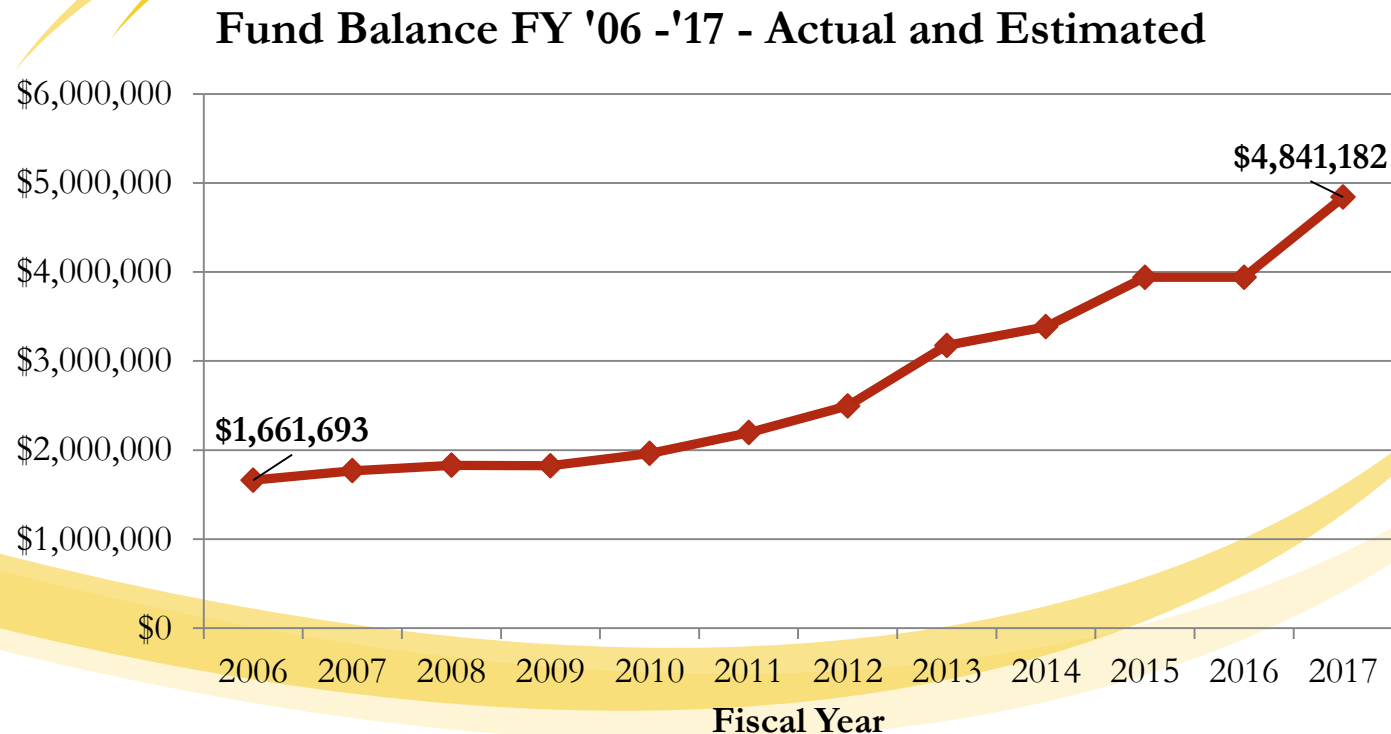
- Governor's proposed budget reflects increase of \$3,345,310 (18.6%)
 - New "Select Payment" Payment in Lieu of Taxes - \$2,630,450 in new revenue
 - Revenue Sharing grant - \$756,130
 - Decrease in traditional PILOT grant -\$87,931

FY '16/17 Revenue Outlook – Intergovernmental Revenues

State Aid Comparison



FY '16/17 Fund Balance

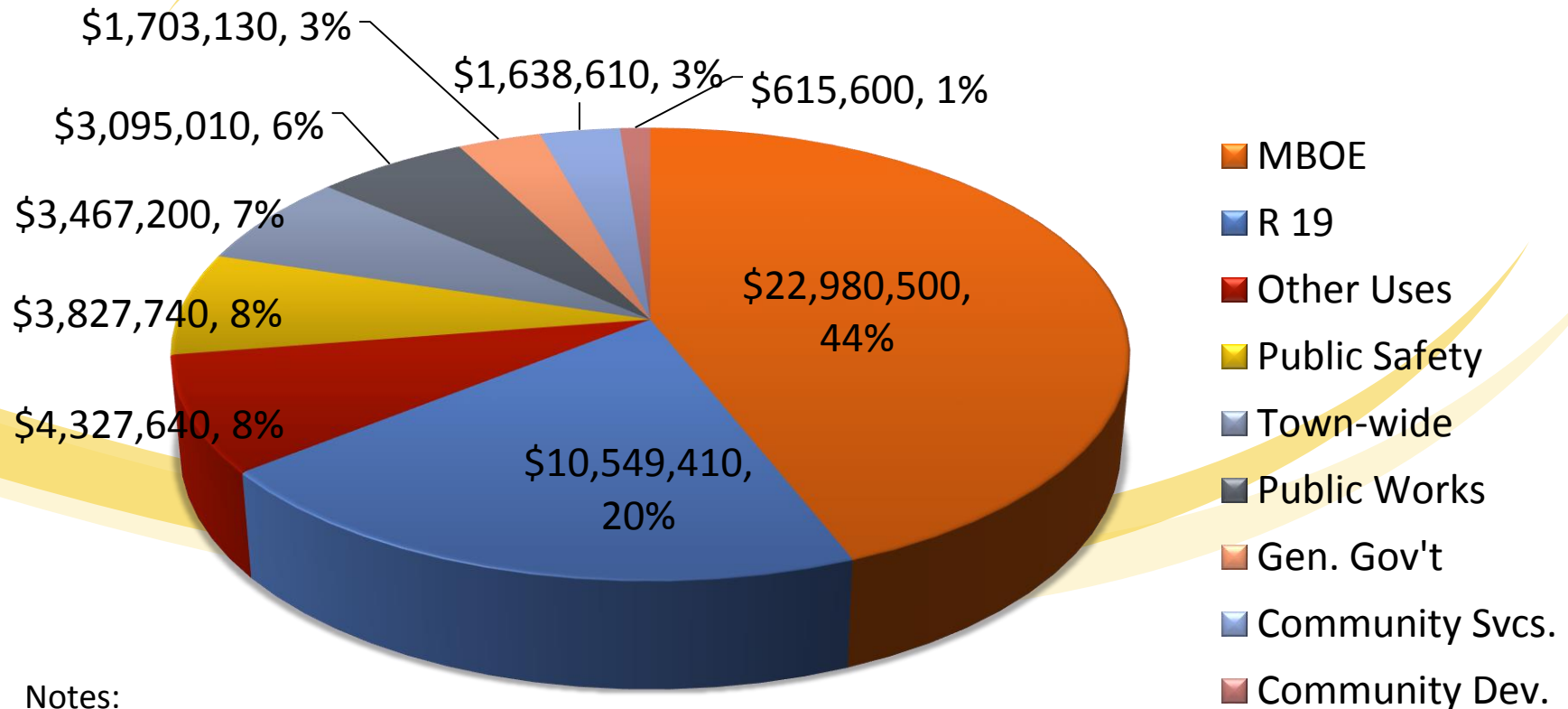


Bond agencies recommend Fund Balance of 10-15% of General Fund budget.

Long-term plan to increase contributions to Fund Balance to reach recommended levels.

Estimated Fund Balance for FY 16/17 totals \$4,841,182, 9.1% of projected budget.

FY '16/17 General Fund Expenditures: \$52,204,840



FY '16/17 General Fund Expenditures

General Fund	FY 2015/2016	FY 2016/2017	\$ Amt. Dec/Inc	% Dec/Inc
Town	\$16,421,370	\$18,674,930	\$2,253,560	13.7%
MBOE	\$22,022,750	\$22,980,500	\$ 957,750	4.3%
Region 19	<u>\$10,188,150</u>	<u>\$10,549,410</u>	<u>\$ 361,260</u>	<u>3.5%</u>
General Fund Total	\$48,632,270 ¹	\$52,204,840 ¹	\$3,572,570	7.3%

¹Does not include contribution to Fund Balance.

FY '16/17 Expenditure Trends

- \$2,253,560 (13.7%) increase to Town Government
 - \$1,523,260 increase for capital projects (Town and schools)
 - \$260,745 increase for benefits, primarily health insurance
 - \$214,625 increase for contractual step increases and proposed additional staffing
 - \$93,190 increase for the Resident State Trooper program (*to maintain current service levels*)
 - \$25,400 decrease in energy costs



FY '16/17 Expenditure Trends

- **\$957,750 (4.3%) increase to MBOE**
 - \$492,635 increase for benefits, primarily health insurance
 - \$361,670 increase for contractual salary increases
 - \$151,360 increase for staffing and programming needs
- **\$361,260 (3.5%) increase to R19**
 - Mansfield student enrollment increases
 - Increase reflects Mansfield's proportional share of overall budget (up from 56.80% to 57.86%)

FY '16/17 Capital & Non-Recurring Fund: \$3,145,000

- Planned uses:
 - Transfer to Capital Fund - \$2,945,000
 - Transfer to Management Services Fund for technology replacement - \$200,000
- CNR Fund does not include recurring and non-capital expenditures



Capital Fund Revenues: \$4,897,170

FY 16/17 Capital Budget Revenues		
CNR Transfer In ¹	\$2,945,000	60.1%
Bonds	\$1,323,000	27.0%
Federal & State Grants	\$269,380	5.5%
LOCIP Grant	\$184,000	3.8%
Town Aid Road Grant	\$130,000	2.7%
Parks & Recreation Revenue	<u>\$45,790</u>	<u>0.9%</u>
<i>TOTAL</i>	<i>\$4,897,170</i>	<i>100%</i>

¹Includes General Fund contribution to capital, ambulance service fees.

FY '16/17 Capital Fund Expenditures:

\$4,897,170

FY 16/17 Capital Budget Expenditures		
Facilities Management (Town & Schools)	\$2,102,000	42.9%
Public Works	\$1,358,000	27.7%
Public Safety	\$578,550	11.8%
Community Development	\$375,000	7.7%
Education Technology	\$200,000	4.1%
General Government	\$163,830	3.3%
Community Services	<u>\$119,790</u>	<u>2.4%</u>
<i>TOTAL</i>	<i>\$4,897,170</i>	<i>100%</i>

Capital Fund Major Projects

- **Public Works**

- Transportation projects (road resurfacing, walkways, guiderails, drainage) - \$1,010,000
 - Road resurfacing - \$750,000
 - Ravine Road improvements - \$110,000
 - Drainage, guiderails, walkways - \$150,000
- Vehicle Replacements - \$272,000

- **Town Buildings - \$339,000**

- Public Works Garage roof replacement & well system upgrade - \$65,000
- Fire Station 107 roof and well system replacements - \$60,000
- Historical Society building, removal of UST and natural gas heating system conversion - \$35,000

Capital Fund Major Projects

- **Public Safety**

- SCBA replacement - \$283,550 (*\$269,370 funded by federal grant, \$14,170 local match*)
- Ambulance replacement - \$245,000

- **Community Development**

- Storrs Center Reserve - \$375,000 (*funds one-time expenditures, Transportation Center & overrun*)

Capital Fund Major Projects

- **Community Services**
 - Fitness equipment - \$45,790 (*funded by Parks & Recreation revenue*)
 - Playscape replacement reserve & repairs - \$40,000
- **General Government**
 - Police services analysis - \$60,000
 - Classification & compensation study- \$30,000

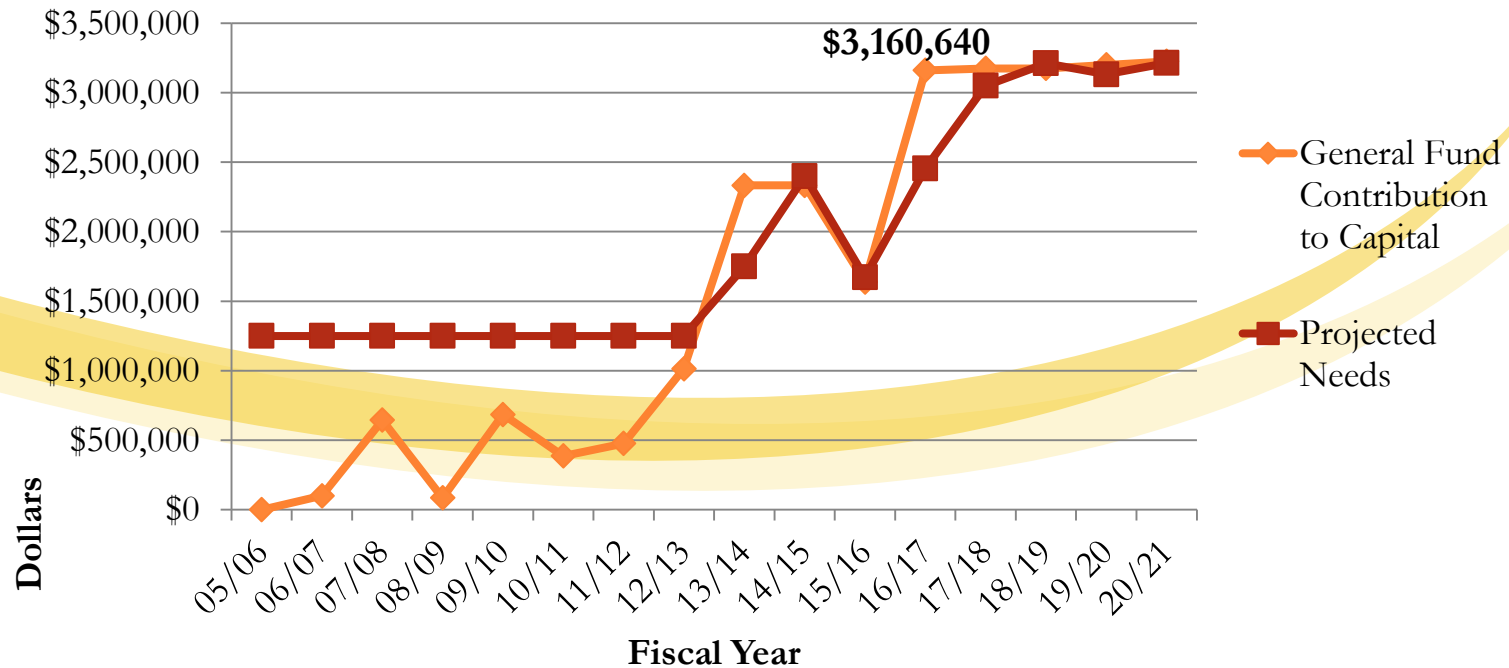
Capital Fund Major Projects

- Education/School Buildings - \$1,883,000
 - Middle School Gym renovations - \$873,000
 - Vinton boilers - \$450,000
 - Information technology equipment - \$200,000
 - Other maintenance projects - \$200,000
 - Facilities study (schools) - \$160,000



Capital Fund

General Fund Contribution to Capital – Baseline (Projected) Needs v. Actual Contributions



Impact on Taxpayer

Mill rate remains flat at 29.87 mills for real estate and personal property and decreases to 29.36 for motor vehicles per state statute

Sample Tax Impact *On a Median Valued Home*

Current Valuation	\$155,700 ¹
Proposed Taxes	\$ 4,651
Current Taxes	<u>\$ 4,651</u>
Increase/Decrease	\$ 0
Percentage Change	0%

¹Median home price, 100% of assessed value is \$222,430. \$155,700 reflects 70% of assessed value.

Impact on Taxpayer

Where do the Tax Dollars Go?

Education	\$2,987	64.2%
Other Financing Uses (inc. capital)	\$ 386	8.3%
Public Safety	\$ 341	7.3%
Town-Wide (employee benefits, other)	\$ 309	6.6%
Public Works	\$ 276	5.9%
Government Operations	\$ 152	3.3%
Community Services	\$ 146	3.1%
Community Development	\$ 55	1.2%
<i>TOTAL</i>	<i>\$4,651</i>	<i>100%</i>

Budget Summary

- **FY 2016/17 Proposed Budget**
 - 7.3% increase in General Fund expenditures
 - Significant increase to capital to address infrastructure needs (Town and school buildings, roads)
 - Mill rate remains 29.87 mills for real estate and personal property, and decreases to 29.36 mills for motor vehicles
 - No tax increase on median assessed home
- **Responsible budget**
 - Funds current services
 - Advances Council goals and initiatives
 - Appropriates new state aid in a conservative manner
 - Builds staff capacity to address operation and budget concerns
 - Does not increase the mill rate

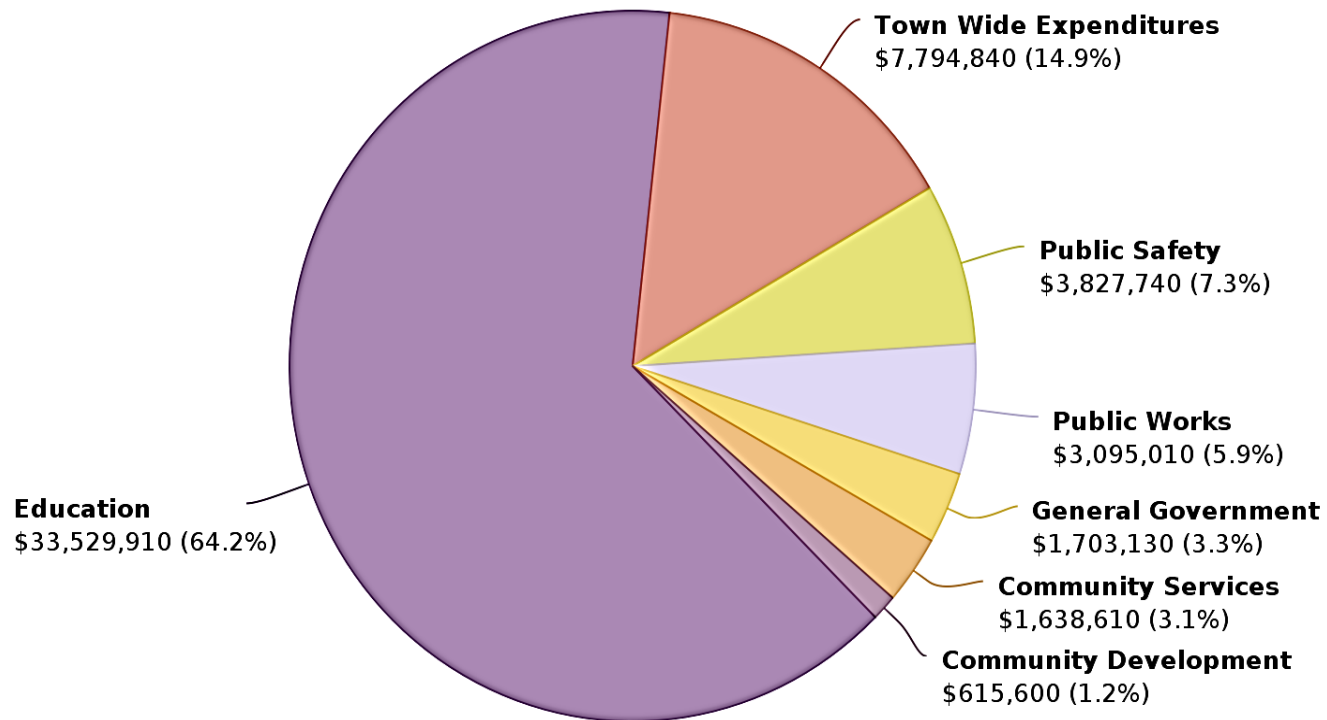
Budget Summary (cont'd)

- Issues to monitor
 - State budget/intergovernmental revenue
 - Resident Trooper costs and police service delivery options
 - Facilities Studies (Town and schools) will provide plan to fund infrastructure needs; will impact future budgets

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Mansfield - Departments 2016-17 Town Manager's Budget

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Budget Workshops

Council members are encouraged to:

- ✓ Ask questions
 - When possible, send questions to the Town Manager in advance of the workshop (helps to expedite responses)
- ✓ Flag items for further discussion

Budget Dates

Town Council Budget Review	March 30 - April 21, 2016	6:30pm
Public Information Session	April 12, 2016	7:00pm
Public Hearing	April 25, 2016	7:00pm
Council Adoption of Budget	April 27, 2016	6:30pm
Region 19 Budget Referendum	May 3, 2016	6am-8pm
Public Information Session	May 4, 2016	7:00pm
Annual Town Meeting	May 10, 2016	7:00pm

Dates & Times Subject to Revision

Check www.mansfieldct.gov for locations & other meeting information

Budget workshops and public information sessions will be televised on our Government Access Channel and the Town's website when meetings are held in Council Chambers